



February 22, 2002

ENGROSSED SENATE BILL No. 405

DIGEST OF SB 405 (Updated February 20, 2002 5:33 PM - DI 103)

Citations Affected: IC 16-18; IC 16-28.

Synopsis: Health facility receiverships. Permits the state to recover costs incurred by the state as the result of the receivership of a health care facility. Provides that the costs of receivership constitute a preferred claim against the receivership estate.

Effective: July 1, 2002.

Miller, Howard

(HOUSE SPONSOR — WELCH)

January 10, 2002, read first time and referred to Committee on Corrections, Criminal and Civil Procedures.

January 24, 2002, amended, reported favorably — Do Pass.

January 28, 2002, read second time, ordered engrossed. Engrossed.

January 31, 2002, read third time, passed. Yeas 49, nays 0.

HOUSE ACTION

February 5, 2002, read first time and referred to Committee on Ways and Means.

February 21, 2002, reported — Do Pass.

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ES 405—LS 7101/DI 104+



February 22, 2002

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

ENGROSSED SENATE BILL No. 405

A BILL FOR AN ACT to amend the Indiana Code concerning health.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 16-18-2-82.8 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2002]: **Sec. 82.8. "Cost of receivership", for**
4 **purposes of IC 16-28-8, has the meaning set forth in IC 16-28-8-0.5.**
5 SECTION 2. IC 16-28-8-0.5 IS ADDED TO THE INDIANA CODE
6 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
7 1, 2002]: **Sec. 0.5. As used in this chapter, "cost of receivership"**
8 **may include the costs of placing a receiver in a health facility and**
9 **all reasonable expenditures and attorney's fees incurred by the**
10 **receiver to operate the health facility while the health facility is in**
11 **receivership.**
12 SECTION 3. IC 16-28-8-7, AS ADDED BY P.L.210-1999,
13 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2002]: **Sec. 7. (a) The costs of the receivership shall be**
15 **determined by the court and placing a receiver in a health facility**
16 **excluding the cost of the receiver's bond; shall be paid by**
17 **(+) the health facility, if the receiver is not a state employee; or**

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1 ~~(2) the state; if the receiver is a state employee: the owner or~~
2 ~~operator of the health facility.~~

3 **(b) If the receiver is a state employee, the state shall pay the**
4 **receiver's salary.**

5 **(c) Any cost of receivership paid by the state for the receivership**
6 **of a health facility is a preferred claim against the receivership**
7 **estate. The state may file a claim against the health facility or the**
8 **health facility's assets and resources for recovery of any**
9 **administrative expense incurred by the state under this chapter.**

10 **(d) Any asset or resource of the health facility may be used to:**

11 **(1) fund the cost of receivership; and**

12 **(2) reimburse any expenditure made by the state under this**
13 **chapter.**

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SENATE MOTION

Mr. President: I move that Senator Howard be added as coauthor of Senate Bill 405.

MILLER

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COMMITTEE REPORT

Mr. President: The Senate Committee on Corrections, Criminal and Civil Procedures, to which was referred Senate Bill No. 405, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 8, delete "includes" and insert "**may include**".

Page 1, line 8, after "all" insert "**reasonable**".

Page 1, delete lines 12 through 17.

Page 2, delete lines 1 through 9.

Page 2, line 12, delete "receivership, including" and insert "**receivership shall be determined by the court and**".

Page 2, line 13, delete "the cost of".

Page 2, line 13, strike "placing a receiver in a health facility".

Page 2, line 13, delete "and".

Page 2, line 13, strike "the cost".

Page 2, line 14, strike "of the receiver's bond,".

Page 2, delete lines 29 through 31.

and when so amended that said bill do pass.

(Reference is to SB 405 as introduced.)

LONG, Chairperson

Committee Vote: Yeas 7, Nays 0.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 405, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

BAUER, Chair

Committee Vote: yeas 23, nays 0.

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